5

10

15

CLAIMS

What is claimed is:

- 1. A system for secure electronics rights management, secure transaction management and secure content distribution comprising:
 - a. a card means for storing personal license information of a user in encrypted form;
 - b. a remote storage means for storing content in encrypted form; said encryption designed to ensure that said content on said remote storage means can be experienced only by said user;
 - c. a terminal means for downloading said personal license information to said card means upon request and payment from said user;
 - d. a playback means for accepting said card means and said remote storage means, and allowing said user to experience said content in accordance with the terms of said personal license; and
 - e. a secure transaction server means for: securely receiving said content from a distributor, securely storing said content, securely accepting said request and said payment, distributing said content to said user, managing said personal license information, and securely downloading said personal license information to said card means.
- 2. A system as claimed in claim 1 in which said distributor is the owner of said content.
- 3. A system as claimed in claim 1 in which said card means contains a microchip.

- 4. A system as claimed in claim 1 in which said remote storage means is a compact disk (CD).
- 5. A system as claimed in claim 1 in which said remote storage means is a memory card.
- 6. A system as claimed in claim 1 in which said remote storage means is a digital video disk (DVD).
- 7. A system as claimed in claim 1 in which said remote storage means is a hard drive.
- 8. A system as claimed in claim 1 in which said terminal means is a PC, attached to the Internet and with and attached reader/writer for said card means.
- 9. A system as claimed in claim 1 further including a memorizing means for memorizing experienced but unlicensed content for future license; said memorizing means being incorporated in said playback means.
- 10. A system as claimed in claim 1 in which said playback means is a radio.
- 11. A system as claimed in claim 1 in which said playback means is a television.
- 12. A system as claimed in claim 1 in which said playback means is a portable music player.
- 13. A system as claimed in claim 1 in which said playback means is television signal decoder (set top box).
- 14. A system as claimed in claim 1 in which said playback means is a cellular phone.

- 15. A method for secure electronics rights management, secure transaction management and secure content distribution comprising the steps of:
 - a. providing a memory card with embedded microchip adapted for storing personal license information of a user in encrypted form;
 - b. providing a storage medium for storing content in encrypted form;
 - c. providing a terminal for downloading said personal license information to said memory card upon request and payment from said user;
 - d. providing a playback device adapted for accepting said memory card and said storage medium, and playing back said content in accordance with the terms of said personal license;
 - e. providing a secure transaction server;
 - f. securely receiving said content from a content provider to said secure transaction server;
 - g. securely storing said content on said transaction server;
 - h. securely accepting said request and said payment at said secure transaction server;
 - i. distributing said content to said user from said secure transaction server encrypted so that said content can only be experienced by said user;
 - j. managing said personal license information in said secure transaction server;
 and
 - k. securely downloading said personal license information from said secure transaction server to said memory card via said terminal.
- 16. A method as claimed in claim 15 further comprising the step of preprocessing said content by:
 - a. generating a unique content identifier;
 - b. generating a first data structure (FAT_HEADER) containing information about said content;
 - c. generating a second data structure (DIST_HEADER) containing information about distribution of said content;

5

15

20

5

- d. incorporating said unique content identifier, said first data structure and said second data structure into said content; and
- e. optionally encoding said content.
- 17. A method as claimed in claim 15 in which the step of providing a terminal further comprises the steps of:
 - a. providing a reader/writer for said memory card; and
 - b. attaching said reader/writer to a PC, attached to the Internet.
- 18. A method as claimed in claim 15 further comprising the step of providing a memorizing means for memorizing experienced but unlicensed content for future license; said memorizing means being incorporated in said playback device.
- 19. A method as claimed in claim 15 in which the step of distributing is accomplished via the Internet.
- 20. A method as claimed in claim 15 in which the step of distributing further comprizes the steps of:
 - a. storing said content on an appropriate storage medium; and
 - b. mailing said storage medium to said user.